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BSNL reports operating profit of Rs 672 cr for FY15

16:1 HRS IST

New Delhi, Nov 17 (PTI) Reversing the trend, state-run BSNL today reported an operating profit of Rs 672 crore for the financial year 2015 on the back of fall in administrative costs and jump in revenues.

The company had posted an operating loss of Rs 691 crore in the previous fiscal.

BSNL Chairman and Managing Director Anupam Shrivastava said income from services increased by 4.16 per cent to Rs 27,242 crore in 2014-15, which is highest in comparison to the previous five years.

Income from services stood at Rs 26,153 crore in 2013-14.

"BSNL had bad results for the last few years, but in year 2014-15, it has been able to reverse the trend. Also it is a known fact that most of the telecom majors are having heavy debt burdens but it still continues to be relatively better, showing a low debt-equity ratio," Shrivastava said.

He added the debt equity ratio of BSNL is around 0.13 per cent, which is lowest in the industry.

Shrivastava said BSNL is making relentless efforts to revive itself under the leadership of Telecom Minister Ravi Shankar Prasad, who is very keen to restore the pristine glory of the company.

BSNL will be investing Rs 7,700 crore in the current financial year to expand network. The company also plans to launch 4G LTE services on 2600 MHz band in a couple of cities by the end of March.

It has taken various customer centric initiatives such as free night calling, free roaming and providing a minimum broadband speed of 2 Mbps.

Shrivastava said in 2006, BSNL was the number one operator in mobile and landline services as it was able to expand its network but during 2006-2012, it was not able to procure equipment, which led to its downfall.

"The market expanded rapidly during this period and we failed to expand our network because of non procurement of equipment and we missed the voice opportunity," he said.

Shrivastava though added that these days, data is growing rapidly and they are investing heavily for data.

"BSNL is focussing on data. Currently 10 per cent of the revenue is coming from mobile data," he said.

The CMD further said BSNL has started to monetise its towers by entering into agreements with other operators and there is 42 per cent increase in tower business.

"A tower subsidiary will be created as the Cabinet has already cleared the proposal for that," he said.

The net loss of BSNL though increased to Rs 8,234 crore for the reported fiscal compared with Rs 7,020 crore last year, mainly on account of asset depreciation calculated as per the Companies Act.

The loss could have come down to Rs 5,370 crore if the company would have calculated its asset depreciation as per the old Act.

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